

**Remarks on Signing the Ocean Shipping Reform Act of 2022**

*June 16, 2022*

Thank you. Thank you. Please. Thank you very much. Good afternoon, everyone. And thank you, Zippy. And I want to acknowledge Secretary of Transportation, Pete Buttigieg, is here today and knows a little bit about moving things. And, you know, as well as a dozen Members of Congress that are here and—both Democrat and Republican. That's the good news.

A few months ago, in my State of the Union Address, as part of my plan to lower costs for Americans, I promised to crack down on ocean carriers whose price hikes have hurt American families and American businesses. And today I'm proud to say that we've got—got that done on a bipartisan basis, and you did it quickly for folks.

In just a few minutes, I'm going to be signing the Ocean Shipping Reform Act of 2022 to put a stop to shipping companies taking advantage of American families, farmers, ranchers, and businesses, and to bring down prices and give the American people a little bit of breathing room, just a little bit more breathing room.

You want to know why prices are so high? Well, there are a number of reasons having to do with Putin's war in Ukraine, disruption caused by the pandemic. But one of the factors affecting prices is this: Nine major shipping companies, consolidated into three alliances, control the vast majority of ocean shipping in the world. And each of these nine is foreign owned. During the pandemic, these carriers increased their prices by as much as 1,000 percent. One thousand percent.

While families and businesses struggled around the world, these carriers made \$190 billion in profit in 2021, seven times higher than the year before. Seven times higher than the year before. And they raked in the profits, and the costs got passed on, as you might guess, directly to the consumers, sticking it to American families and businesses because they could.

Furniture, appliances, clothing—anything and everything that crossed the Pacific on a ship from Asia saw a price tag shoot up. And families and businesses felt the squeeze here at home.

In addition, these foreign-owned carriers have also been refusing to carry American-made products back to Asia. That's the interesting part. That's where Zippy comes in—*[laughter]*—and his—the Farm Bureau and others. It hurts the entire economy, but it especially hurts our farmers, who depend on ocean shipping to sell their products to customers overseas.

You know, I knew that we needed to take action right away and put a stop to these dramatic price hikes and end this unfair treatment. And I spoke directly with the CEOs and—not just the two that are here today, but—from the American Farm Bureau to find out how to affect—how it affected them and their customers. And I spoke to the CEO of Jo-Ann Stores. Wade is here. Wade, stand up so everybody sees you here. Wade Miquelon.

And by the way, my sympathies to your—the family of your F—your CFO, who dropped dead very unexpectedly. And my best to their family. It's tough stuff.

But you know what he told me? He told me his shipping costs rose by \$100 million, more than the company's entire profit margin that year. By \$100 million.

I spoke to the CEO of Tractor Supply, Hal Lawton. Hal told me that his company went from paying \$35 [\$3,500]\* per shipping container to 20 to—or \$25,000 per shipping container.

And I spoke to Zippy, president of the American Farm Bureau. He shared with me the impact it was having on farmers across the country, so many of whom on markets overseas through—sell their crop—rely on markets overseas to sell their products. Hal wasn't able to be with us today, but Wade and Zippy are here today because I wanted them standing right beside me when I sign this legislation into law.

What this bill does is extend the authority—something the Federal—the—of the Federal—what the Federal Government calls the Federal Maritime Commission, which a lot of people don't know exists, but it's important—[*laughter*]*—which requires our ocean—which regulates our ocean transportation system, allowing them to crack down on these excessive fees and prohibiting ocean carriers from refusing to carry U.S. exports.*

In short, it's going to help begin to lower shipping costs; bring down prices on everything from goods to service—not services—goods to products that the American family—families need, that they make to export as well as import; and ensure that American farmers, ranchers, and other exporters are treated fairly.

And I want to thank the bipartisan Members of Congress who came together to get this done, especially Senator Amy Klobuchar, a Democrat from Minnesota; John Thune, a Republican from South Dakota; Maria Cantwell, a Democrat from Washington State; John Garamendi, the Democrat from California—Congressman from California; Congressman Dusty Johnson, a Republican from South Dakota; Pete DeFazio, a Democrat from Oregon; and the committee chairs, ranking members who supported this critical legislation. And you did it so quickly.

Thank you, thank you, thank you for working across the aisle and for getting this done so quickly.

And I've said many times: Tackling inflation is my number-one priority. Inflation—there's no solace that inflation is higher around the rest of the world and gas prices are higher everywhere else in the world. It doesn't matter. It's much too high here. And this bill is going to help bring down inflation, at least marginally, for farmers and businesses all across America.

And more than that, the bill is proof of what we can achieve when we work together on common ground: Democrats, Republicans, and Independents; farmers, families in this country, businesses of all sizes.

We've identified the problem, we identified the solution, and we fixed it together in an overwhelmingly bipartisan way with a vote of the House—very close, 369 to 42—[*laughter*]*—I remember those good old days, man—[laughter]—and no objections in the Senate. I hardly remember those days—[laughter]—and I served there for 36 years, but that's—[laughter].*

But you know, it's what government can do, can look like at its best. We—we're going to have real differences, and we should fight like hell when we differ, and some votes are really close, but there are some things that there are just no sense in fighting about. We all basically agree. And what this group of Congresspersons have done is they look at it not in terms of whether it's going to help or hurt one party or the other, whether it's right or wrong. And I thank you for doing that.

When we come together to solve real problems facing families, we can get a lot done. And I'm proud that we made it happen.

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\* White House correction.

Now it's going to be my pleasure to sign this bill into law. And I'd like to invite up Wade and Zippy; Transportation Secretary Buttigieg; the Chair of the Maritime Commission, Dan Maffei; as well as all the Members of Congress I mentioned, to join us on stage.

Please, come on up.

All right. Here we go.

*[At this point, the President signed the bill.]*

The tradition is, you give all the Members of Congress who are up here a pen, but we're not just gotten—we haven't gotten cheap on it. They're going to get a pen in a box, but I'm going to hand this one right over my shoulder here.

*[The President handed the pen to Sen. Amy J. Klobuchar.]*

Thank you all. Thank you, thank you, thank you.

NOTE: The President spoke at 3:18 p.m. in the State Dining Room at the White House. In his remarks, he referred to Vincent M. "Zippy" Duvall, Sr., president, American Farm Bureau Federation, who introduced the President; President Vladimir Vladimirovich Putin of Russia; and Matthew B. Susz, former executive vice president and chief financial officer, Jo-Ann Stores, LLC, who died on June 14. S. 3580, approved June 16, was assigned Public Law No. 117–146.

*Categories:* Bill Signing and Vetoes : Ocean Shipping Reform Act of 2022, signing remarks.

*Locations:* Washington, DC.

*Names:* Buttigieg, Peter P.M.; Cantwell, Maria E.; DeFazio, Peter A.; Duvall, Vincent M. "Zippy," Sr.; Garamendi, John R.; Johnson, Dustin M.; Klobuchar, Amy J.; Lawton, Hal; Maffei, Daniel B.; Miquelon, Wade; Putin, Vladimir Vladimirovich; Susz, Matthew B.; Thune, John R.

*Subjects:* Agriculture : Domestic production, strengthening efforts; Business and industry : Corporate responsibility; Business and industry : Domestic investment, promotion efforts; Congress : Bipartisanship; Economy, national : Inflation; Energy : Gasoline, oil, and natural gas costs; Legislation, enacted : Ocean Shipping Reform Act of 2022; Maritime Commission, Federal; Russia : President; Russia : Ukraine, airstrikes and invasion; Transportation, Department of : Secretary; Ukraine : Russian airstrikes and invasion.

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